

# Houston

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## GREATER HOUSTON CONVENTION AND VISITORS BUREAU

Statement of Activities: Budget  
Fiscal Year 2009/2010

BUDGET  
FY ENDING  
06/10

### REVENUES

HOTEL OCCUPANCY TAX REVENUE	13,340,000
COOPERATIVE MARKETING (HAS)	750,000
TOTAL REVENUE:	14,090,000

### EXPENSES

#### ADMINISTRATIVE DEPARTMENT EXPENSE

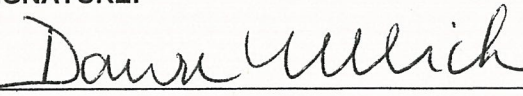
GENERAL & OPERATIONS	1,122,064
FINANCE AND ADMINISTRATION	1,165,757
TOTAL ADMINISTRATION EXPENSE	2,287,822
ADVERTISING & PROMO PROGRAMS	2,782,099

#### OTHER DEPARTMENT EXPENSES

CONVENTION SALES	3,829,241
CONVENTION SERVICES	938,972
TOURISM	726,725
COOPERATIVE MARKETING (HAS)	750,000
MEMBERSHIP/VISITORS SVCS.	606,434
COMMUNICATION	596,655
CITY PROMOTIONS	350,000
FILM COMMISSION	364,621
PROTOCOL ALLIANCE	361,741
SALES COMMITMENTS	495,689
TOTAL OTHER DEPARTMENT EXPENSE	9,020,079
TOTAL EXPENSES:	14,090,000

NET ASSET INCREASE(DECREASE)



<b>SUBJECT:</b> Ordinance approving and authorizing an agreement between the City of Houston and the Greater Houston Convention and Visitors Bureau.		<b>Category #</b>	<b>Page 1 of</b>	<b>Agenda Item #</b>
<b>FROM (Department or other point of origin):</b> Convention & Entertainment Facilities Department		<b>Origination Date</b> August 25, 2009	<b>Agenda Date</b>	
<b>DIRECTOR'S SIGNATURE:</b>  Dawn Ullrich 		<b>Council District affected:</b>  All		
<b>For additional information contact:</b> Stephen Lewis (713) 853-8888 Genaro Peña (Aviation) (281) 233-1808		<b>Date and identification of prior authorizing Council action:</b>		
<b>RECOMMENDATION: (Summary)</b> Approve the FY10 contract between the City of Houston and the Greater Houston Convention and Visitors Bureau.				
<b>Amount of Funding:</b> \$14,390,000 (estimate)		<b>Finance Budget:</b>		
<b>[x] Enterprise Fund</b> Civic Center Facility Revenue Fund (8601)      \$13,340,000 (estimate) HAS Revenue Fund (8001)      \$750,000				
<b>SPECIFIC EXPLANATION:</b> <p>The City of Houston enters into an annual contract with the Greater Houston Convention and Visitors Bureau ("GHCVB") to solicit convention business and promote tourism. The City makes quarterly payments to the GHCVB in an amount equal to 23 percent of the City's gross hotel occupancy tax receipts. Based on estimated HOT revenues, it is projected that the GHCVB will receive \$13,340,000 in FY10, plus \$750,000 for the Cooperative Marketing Program, as described below. This funding allows the GHCVB to serve meeting planners and Houston's extensive hospitality industry. The contract includes a strong emphasis on convention sales. As a part of the contract, the GHCVB provides funds for promoting the George R. Brown Convention Center, the hotels, and major attractions. The GHCVB also funds the work of the Houston International Protocol Alliance and the Houston Film Commission.</p> <p>Houston Airport System will provide \$750,000 to fund the Cooperative Marketing Program. The Cooperative Marketing Program includes national and international marketing efforts to promote Houston and its Airport System, including funds for public and media relations, international advertising, tradeshow, sales/media missions, and international inbound familiarization trips.</p> <p>The Convention &amp; Entertainment Facilities Department and the Houston Airport System recommend Council approval of a contract with the Greater Houston Convention and Visitors Bureau for the period July 1, 2009 through June 30, 2010. The GHCVB has recently completed a restructuring of its Board of Directors. A copy of the revised GHCVB Board is attached to the proposed new contract. This item was delayed to allow the Board restructuring to be finalized.</p> <p>The GHCVB agrees to comply with the City's "Pay or Play" program and does offer health insurance to its employees. The MWBE goal for this agreement is 17% of Unrestricted Funds.</p>				
<b>REQUIRED AUTHORIZATION</b>				
<b>Finance Department:</b>	<b>Other Authorization:</b>  Eric R. Potts, Interim Director of Aviation		<b>Other Authorization:</b>	